



**Broadcast Educational Media Commission Finance Committee
Meeting Minutes
2470 North Star Road, Columbus, OH, 43221
August 30, 2021**

- I. **Call to Order:** At 1:01 p.m., Dr. Osborn opened the meeting of the Broadcast Educational Media Commission Finance Committee.

- A. **Roll Call:** At 1:01 p.m., roll call was conducted by Mrs. Gage.

Members Present:

Committee Chairman Dr. Jan Osborn
Commissioner Matt Dole
Designee Charles See

Also Present in the Meeting:

Executive Director Geoffrey A. Phillips

Also Present Virtually:

Chief Information Officer, Laura Bryson;
Chief Financial Officer Alina Gage;
interested citizens:
Kevin Martin, Chairman of the Ohio Educational Television Stations;
David Carwile, Administrator of Ohio Educational Television Stations, Inc;
and Mark Brewer, General Manager of WOUB

Also Present in the Overflow Room:

Mark Jividen, Chairman of the Ohio Radio Reading Services Alliance;
And Noah Blundo, Hannah News

- B. **Commission Action Items**

Resolution 22-01: Approval of March 23, 2021 Minutes: 1:02 p.m. –Mr. See moved for approval of the March 23, 2021 meeting minutes. Mr. Dole seconded. Motion was approved by unanimous voice vote.

II. **Financial Statement**

- A. Mrs. Gage provided a review of the August 2021 financial report. BEMC is on-track for Fiscal Year 2022 spending.

III. **Fiscal Year 2021 Subsidy Survey Reponses**

- A. Mrs. Gage shared a PowerPoint presentation of charts summarizing the data provided by subsidy recipients detailing how subsidy funds were spent.
 - 1. Dr. Osborn asked if there are previous charts to compare with the recent data. Ex. Dir. Phillips stated while it was the aspiration, this is the first data set represented graphically for analysis.

IV. **Subsidy Allocation Formula Review**

- A. Executive Director Phillips introduced the subsidy allocation formula review process. Mrs. Gage shared a document comparing the current allocations to the new proposals from Television, Radio, and Radio Reading Services.

B. **Television**

- 1. Mr. Martin spoke about the Television Alliance subsidy allocation review process. He stated it was more than an exercise in cleaning up percentage and drove a conversation to understand the logic behind the allocation, knowing there would be trade-offs. The new percentages reflect what the alliance deems fair and appropriate. The driving factor was universal service in Ohio; not all regions in Ohio are the same and the allocation represent Ohio's unique regions.
- 2. For the Committee to gain insight, Ex. Dir Phillips asked for more information about WOUC, the only satellite station. Mr. Carwile said service, coverage, and history were considered. The category was retained for WOUC to acknowledge need in the Appalachian area. Mr. Brewer stated coverage area not served by overlap and remoteness of location were considered when determining formula for WOUC.
- 3. Ex. Director Phillips explained the stations in each category and a brief description of the kinds of programming for each.
- 4. Dr. Osborn asked if the recommended formula was equitable and if technology changes were considered. Mr. Martin responded the driving force was coverage area and cost of coverage. Terrestrial broadcasting has not changed much; ATSC 3.0 may drive more change over the next 5 years. He also added the alliance reviewed the federal schedules and tried to align with those to determine equity.

5. Mr. Dole asked if there was conversation to round the decimals. Mr. Martin responded it was discussed, but in terms of the dollar amount affect, round percentages were not a consideration.

Resolution 22-02: Motion for Television Subsidy Allocation Percentages:

1:44 p.m. –Mr. See moved to recommend to the commission to adopt the revised Television subsidy allocation percentages as presented by the alliance leaders. Mr. Dole seconded. The motion passed unanimously via roll call vote.

C. Radio

1. Mr. Martin shared the Radio Alliance subsidy allocation review process. He participated as a station, but not as an alliance leader. He invited Mr. Carwile to provide an overview of the radio process.
2. Mr. Carwile spoke about the process. It was consistent with the Corporation for Public Broadcasting (CPB) percentages.
3. Mr. See asked about outliers in the radio alliance, like WOUC in Television. Ex. Dir. Phillips stated WCBE is a Columbus Public School station and there are conversations occurring to determine if the school system should own a station. WCSU has seen high turnover in the general manager position resulting in subsidy dollars unspent at the end of the fiscal year. WCSU was engaged and a new process exists to expend subsidy funds first. WYSO recently came under new ownership and will be relocated from Antioch College to a new facility.

Resolution 22-03: Motion for Radio Subsidy Allocation Percentages: 1:52 p.m. – Mr. Dole moved to recommend to the commission to adopt the revised Radio subsidy allocation percentages as presented by the alliance leaders. Mr. See seconded. The motion passed unanimously via roll call vote.

D. Radio Reading Services

1. Mr. Jividen spoke about the Radio Reading Services subsidy allocation review process. (He acknowledged the Dayton Radio Reading Service reported hours on the slides shared by Mrs. Gage are incorrect and will work to get the number corrected.) He shared the formula was created to avoid the need to advocate for additional dollars every biennium. It is based on median hours so smaller markets are receiving funds. All stations are content with the current formula. Minimum allocations were increased to acknowledge the increased cost associated for interconnection. Ex. Dir. Phillips shared RRS gets 10% of total Ohio Public Broadcasting subsidy funds. VOICEcorps also receives funding from Opportunities for Ohioans with Disabilities (OOD) to help support service in markets VOICEcorps is seeking to develop across Ohio by using Ohio Public Television frequency signals. Mr. Jividen stated local programming is supported with local funding, where possible.

2. Ex. Dir. Phillips pointed to possible language change to the Radio Reading Services proposal, section 6.i. Mr. Jividen responded he will work with Dayton get actual numbers of production hours. Need updated language on that item.

Resolution 22-04: Motion for Radio Reading Services Allocation Percentages: 2:08 p.m. –Mr. See moved to recommend to the commission to adopt the revised Radio Reading Services subsidy allocation minimums as presented by the Mr. Jividen. Mr. Dole seconded. The motion passed unanimously via roll call vote.

V. **Guiding Principles for Capital Planning**

- A. Ex. Dir. Phillips explained BEMC Chairman Bob Smith challenged the commission to create guiding principles for capital funding requests. He asked if the Finance Committee has recommendations to make to the commission for those guiding principles and explained the current capital process.
- B. Mr. See said focus should be sustainability of essential services, next-gen innovations and what provides the Commission the most flexibility.
- C. Mr. Dole said he is interested in avoiding redundancy. The amount invested in central control (Joint Master Control) makes voiding redundancy important.
- D. Dr. Osborn shared we need to be good stewards of public funds and think if \$1.5M is where we need to be and to consider the longevity of projects.
- E. Mr. Martin agreed with the discussion. He stated the alliances are working on the capital request now. The plan is to present the request package to the commission so questions can be addressed before BEMC's final package is submitted. Innovation in ATSC 3.0 has increased the capital need resulting in antiquated equipment in the next few years.
- F. Mr. Jividen said the RRS needs to consider next gen TV to serve low-vision and blind population of Ohio.
- G. Ex. Dir. Phillips stated a review of the JMC will be started later in FY22. The integrator's system installed for the JMC is IP based and allows live stream of TV stations. A conversation should occur to determine the expectations of JMC going forward. Over \$4m has been invested in the JMC. 50% of Ohio's Public TV channels originate from BEMC's JMC.
- H. Mr. Dole stated the information should be shared with the commission. Mr. Dole and Ex. Dir. Phillips will work together to create a statement to be shared at the commission meeting.

Resolution 22-05: Motion for Subsidy Allocation Percentages: 2:34 p.m. –Mr. See moved to recommend to the commission to adopt the revised subsidy allocation percentages as presented by the alliance leaders. Mr. Dole seconded. The motion passed unanimously via roll call vote.

VI. **Adjournment**

Resolution 22-04: Motion for Adjournment: 2:38 p.m. –Mr. See moved to adjourn. Mr. Dole seconded. The adjournment motion passed via unanimous voice vote.

Dr. Jan Osborn, Finance Committee Chairman
Broadcast Educational Media Commission

Date

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